

Message Text

CONFIDENTIAL

PAGE 01 BEIRUT 00895 020407Z
ACTION XMB-04

INFO OCT-01 NEA-10 ISO-00 EB-08 L-03 IGA-02 AID-05 SP-02
AGRE-00 USIA-06 NSC-05 TRSE-00 SS-15 STR-04 OMB-01
CEA-01 COME-00 /067 W
-----020734 104868 /10

R 011624Z MAR 77
FM AMEMBASSY BEIRUT
TO SECSTATE WASHDC 3200

C O N F I D E N T I A L BEIRUT 0895

FROM THE AMBASSADOR

E.O. 11652: GDS
TAGS: EAID, ETRD, LE
SUBJECT: EXIM BANK FINANCING FOR LEBANON

REF: STATE 043015

1. AT FEB 28 MEETING WITH PRIMIN AL-HOSS, I EXPLAINED THAT THE EXIM BANK COULD NOT ISSUE GENERAL LINES OF CREDIT, BUT MIGHT CONSIDER LENDING FOR SPECIFIC PROJECTS. THE BANK NEVERTHELESS CONSIDERED IT PREMATURE TO DO SO BEFORE SETTLEMENT OF THE MINISTRY OF FINANCE'S DELINQUENCY ON THE EARTH STATION AND CLARIFICATION OF CLAIMS PAID BY EXIM BANK UNDER WAR RISK CLAUSES.

2. THE PRIMIN ASSURED ME THAT THE MINISTRY OF FINANCE WOULD HONOR ITS DEBT FOR THE EARTH STATION. HOWEVER, HE SAID HIS GOVERNMENT WOULD NOT INDEMNIFY ANY FIRMS FOR WAR LOSSES, SINCE IT "LACKED THE MEANS" TO DO SO. INSTEAD, THE GOL WOULD HELP ALL FIRMS "WITHOUT DISCRIMINATION" TO RECONSTRUCT. THE GOL WOULD DO SO IN PART BY AMENDING THE TAX LAWS TO INCREASE THE PERIOD OF AMORTIZATION FOR LOSSES FROM THREE TO SIX OR SEVEN YEARS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BEIRUT 00895 020407Z

3. HOSS SAID THE GOL WANTED EXIM BANK FINANCING PRECISELY TO ASSIST THESE FIRMS TO RECONSTRUCT. HE SAID THE GOL COULD PROCEED ON AN ITEM-BY-ITEM RATHER THAN GENERAL LINE OF CREDIT BASIS. GOL MERELY WANTED THE BANK TO PROVIDE FINANCING FOR INDIVIDUAL PURCHASES AGAINST A GOL GUARANTY OF A GIVEN AMOUNT. IT WOULD LIKE TO HAVE SOME IDEA, HOWEVER, HOW MUCH

CREDIT EXIM WOULD BE WILLING TO EXTEND. I SAID
BANK NORMALLY DID NOT FIX COUNTRY LIMITS BUT
CONSIDERED TRANSACTIONS ON INDIVIDUAL BASIS.

4. THE PRIMIN PROMISED TO PROVIDE ME MORE DETAILS
ON THE MINISTRY OF FINANCE DELINQUENCY IN THE NEAR
FUTURE.

5. COMMENT: ALTHOUGH EXIM DOES NOT ISSUE GENERAL
LINES OF CREDIT, WOULD IT BE WILLING TO WORK OUT A
COOPERATIVE FINANCING FACILITY (CFF) WITH AN
APPROPRIATE BANK HERE?
PARKER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BEIRUT00895
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770071-0441
Format: TEL
From: BEIRUT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197703107/aaaadqik.tel
Line Count: 75
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: f21028ad-c288-dd11-92da-001cc4696bcc
Office: ACTION XMB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 STATE 43015
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 22-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2955498
Secure: OPEN
Status: NATIVE
Subject: EXIM BANK FINANCING FOR LEBANON
TAGS: EAID, ETRD, LE, XMB
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/f21028ad-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009